

**Office of the Secretary of State**

Bill Bradbury  
Secretary of State

Jean Straight  
Deputy Secretary of State



**Audits Division**

Charles A. Hibner, CPA  
Director

255 Capitol Street NE, Suite 500  
Salem, OR 97310

(503) 986-2255

**fax** (503) 378-6767

July 2, 2007

Debra Orman, Executive Director  
Board of Psychologist Examiners  
3218 Pringle Road SE, Suite 130  
Salem, OR 97302-6309

Dear Ms. Orman:

We have completed a change of director review of the Board of Psychologist Examiners (board) former director, Martin Pittioni, who resigned from that position effective August 1, 2006. The review was conducted in compliance with Oregon Revised Statute 297.210, which requires the Audits Division to perform an audit or review when the executive head of a state agency leaves that position for any reason.

Our objective was to ensure that appropriate actions were taken to protect state assets when the former director resigned from his position. To meet this objective, we reviewed representations from management and determined that assets assigned to the former director were returned, and his access to state and board automated systems was terminated. In addition, we reviewed documentation related to payroll, leave accruals and payouts, contracts, and travel and other reimbursement claims submitted by the former director during his last three months as director. Except as noted below, we found the board took appropriate actions to protect state assets following the resignation of the former director:

- We question meal reimbursements of \$49 paid to the former director for breakfasts claimed in Portland, Oregon, on four separate occasions in April, May, and June 2006 when he was on non-overnight travel status. According to the travel reimbursement forms, the former director began travel between 6:15 a.m. and 6:30 a.m. on these occasions. State policy defined in the *Oregon Accounting Manual* requires a person to be on travel status for two hours or more prior to his or her regularly scheduled work shift to receive a breakfast allowance.<sup>1</sup> Board staff was not able to provide evidence of the former director's work schedule, and his schedule was not noted on the travel reimbursement forms as is required for evaluating eligibility for meal reimbursements for non-overnight travel status. As a result, it was not clear that the former director was entitled to the reimbursements.

We also question a meal reimbursement of \$12 paid to the former director for lunch while on non-overnight travel status on a separate occasion during the same three-month period. The travel policy in the *Oregon Accounting Manual* states that a lunch allowance is not provided during non-overnight travel except under certain conditions.<sup>2</sup> Based on our review, those

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<sup>1</sup> *Oregon Accounting Manual* Policy 40.10.00.PO.111(a)

<sup>2</sup> *Oregon Accounting Manual* Policy 40.10.00.PO. 111(b)

conditions were not met in this particular instance; therefore, the former director was not entitled to the lunch reimbursement.

**We recommend** the board review the meal reimbursements to determine whether they were valid payments and consider recovery, if appropriate. In addition, the board should ensure that travel reimbursement forms are fully completed, including the work schedule field. The board should also comply with the travel policy relating to meal reimbursements.

- The former director was inappropriately reimbursed \$89 for mileage for using his private vehicle to commute to his official work station in Salem on four separate trips in May and June 2006. The travel policy in the *Oregon Accounting Manual* restricts reimbursement of private vehicle mileage to prevent reimbursements for commuting miles.<sup>3</sup>

**We recommend** the board review the May and June 2006 mileage reimbursements to determine whether they were valid payments and seek recovery, if appropriate. In addition, the board should ensure compliance with the travel policy relating to mileage reimbursements.

- The former director telecommuted during a portion of the time period reviewed. Although discussions with the board chair established that an informal agreement was in place, the board had not formalized a telecommuting agreement with the former director specifying a schedule of work and expected tasks to be completed, as required by Department of Administrative Services' policy.<sup>4</sup>

**We recommend** the board comply with the Department of Administrative Services' policy and have formal telecommuting agreements in place for employees that telecommute.

Should you have any questions concerning these issues, please contact me at (503) 986-2351.

Sincerely,  
OREGON AUDITS DIVISION

V. Dale Bond, CPA, CISA, CFE  
Audit Manager

VDB:brk

cc: Kathy Mann, Program Analyst  
Lindsay Ball, Director, Department of Administrative Services

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<sup>3</sup> Oregon Accounting Manual Policy 40.10.00.PO. APPENDIX A – PER DIEM AND MILEAGE RATES (Private Transportation Mileage)

<sup>4</sup> Oregon Department of Administrative Services Policy 50.050.01